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DEPARTMENT FOR INR/R/MR, EAP/RSP/TC, EAP/PA, EAP/PD - ROBERT PALLADINO DEPARTMENT PASS AIT/WASHINGTON

E.O. 12958: N/A
TAGS: OPRC KMDR KPAO TW
SUBJECT: MEDIA REACTION: CROSS-STRAIT RELATIONS

- 11. Summary: As Taiwan dailies continued to cover KMT Chairman Lien Chan's China trip May 3, the focus has shifted to President Chen Shui-bian's speech Monday to the Parliament of the Marshall Islands with regard to cross-Strait confidence-building measures. The prounification "United Daily News" ran a banner headline on its front page that read "Bian: both sides of the Strait should establish confidence-building measures." Other major Chinese-language dailies also carried the same news story in their inside pages. The centrist, pro-status quo "China Times" reported on page two that "Both sides of the Taiwan Strait have for the first time shared the same view with regard to a military mutual trust mechanism." The pro-unification "United Daily News" also printed a banner headline on page three that read: "Lien: confidence-building measures are auxiliary to a peace agreement."
- In terms of editorials and commentaries, a "Liberty Times" editorial strongly criticized President Chen with regard to his changed attitude toward Lien's visit to China. A "Taiwan Daily" editorial blasted Lien's trip as helping China to succeed with its `united front strategy' toward Taiwan. A "United Daily News" editorial, on the other hand, commented on Lien's preliminary success in his visit to China, noting that Lien has brought a win-win idea into the plan of a cross-Strait common market. A "China Times" news analysis noted that the opposition party leaders visits to China has forced Chen to re-focus his attention to China and thus regained his leadership in the cross-Strait issues. A "United Daily News" commentary discussed the change in China's policy toward Taiwan and urged the Taiwan government to respond to it with care. "China Times" Washington correspondent Norman Fu discussed the U.S. role in cross-Strait relations, saying the United States has not lost control over cross-Strait issues because China still relies on the United States to solve the Taiwan End summarv. issue.
- A) "What Exactly Does President Chen Shui-bian Have in  $\operatorname{Mind} ?$  "

The pro-independence "Liberty Times" [circulation: 800,000] editorialized (5/3):

- ". President Chen Shui-bian gave his blessings to the visits conducted by the opposition leaders to China. Chen regarded positively KMT Chairman Lien Chan's talks and behaviors in China and asked PFP Chairman James Soong to be his envoy to China. Hence, it is evident that Chen's `China fever' is as serious as that of Lien's and Soong's. The fact that Lien and Soong concurred with the `1992 consensus' in China is already [powerful] enough to enable the Beijing authorities to display fully its united front strategy and to divide the Taiwan people. If Chen also dreams about a meeting with China's President Hu Jintao, Hu will be more than happy to act as an arbitrator between Taiwan's ruling party and opposition parties. As a result, Taiwan will lose in the game [toward its struggle with China] for sure. High-ranking DPP officials recently warned Taiwan people not to show [positive] emotions toward China, adding that what's happening to Taiwan now and here is the most important thing. The officials also said Taiwan should not shake hands with China in haste, and it is more important for the ruling party to work on domestic affairs in collaboration with the opposition parties. Based on such comments, we believe the government and the DPP should have consistent and not divided opinions."
- B) "Lien Chan's Talks and Behaviors in China Have Made Taiwan Businessmen Assume That Both Sides of the Taiwan Strait Belong to One Country and Have Enabled China's United Front Strategy That Seeks to `Force the Government through Businesses' to Succeed"

The pro-independence "Taiwan Daily" editorialized (5/3):

- ". [I]n fact, either a cross-Strait peace treaty or the establishment of a military mutual trust mechanism will have to be built on the foundation that both sides of the Taiwan Strait are standing on an equal footing. How can there be a peace treaty between the two sides of the Taiwan Strait if China still insists that [cross-Strait talks] be conducted under the `one China' principle, or if it still requests that Taiwan accept the `1992 consensus,' which is in nature the `one China' principle? How can China establish a military mutual trust mechanism with Taiwan if it does not remove the 700 missiles aimed at the island, guarantee that it will not use force against Taiwan, or abolish the Anti-Secession Law? During his China trip, Lien Chan failed to talk about all these issues that are directly related to Taiwan's interest. Instead, he still believes that it is of major significance that he has obtained a `positive response' from the Chinese authorities. We, however, do not see any significance [in China's response]."
- C) "The Win-Win Concept and a Common Market across the Taiwan Strait"  $\,$

The pro-unification "United Daily News" [circulation: 600,000] commented in an editorial (5/3):

"KMT Chairman Lien Chan will return to Taiwan today, and the long-term effects of his `journey of peace' still remain to be seen. But overall, Lien has, to a certain extent, sown the seeds of peace and a win-win idea [for both sides of the Taiwan Strait].

"When the Taiwan authorities still have doubts about `opening up' and `exchanges' [across the Taiwan Strait], the idea of a `common market' is a comparatively more possible way to cooperate [with China]...

"The precondition for any type of economic integration is to seek a win-win situation. It is more and more evident that Taiwan needs to integrate with China in terms of economic resources, and the integration as a result will benefit Taiwan. Otherwise, how come Chi Mei Group Founder Hsu Wen-lung would write such an open letter before China's passage of the Anti-Secession Law?

"When several countries in Asia are proposing to form the `ASEAN plus 3,' `East Asia Community,' `East Asia Free Trade Area,' and all kinds of bilateral agreements, Taiwan will be forced to enter a dilemma of being marginalized if it does not come to some kind of understanding or agreement with China with regard to Taiwan's space in the international community. ."

D) "Bian Wins back His Bargaining Chips [with Regard to Cross-Strait Issues] by Refocusing His Attention to

Journalist Hsiao Hsu-chen noted in the "My Views" column of the centrist, pro-status quo "China Times" [circulation: 600,000] (5/3):

"Despite the People First Party's attempt to clarify for its chairman, James Soong's role as the first public `envoy' across the Taiwan Strait is basically settled following President Chen Shui-bian's announcement Sunday. Chen's decision to take the first formal step in breaking the ice between the two sides of the Taiwan Strait is evident to show that he has gradually deviated from the tune about China set by former President Lee Teng-hui and is willing to re-evaluate the new Chinese regime headed by Hu Jintao or at least to try some new approaches [in dealing with China.].

"Judged from this perspective, Lien's trip to China is both a crisis and a turning point for President Chen. Chen has come to a point where he has to face the cross-Strait issues directly, and this also offered him an opportunity to take a close look at the new approaches adopted by Hu's regime toward Taiwan. .

"It is a top priority for Taiwan to re-evaluate China and to set a strategic tune on China and on the cross-Strait relations in the new era. Over the past few years, the Taipei government has been busy securing its power and running around for its campaigns. Some of these efforts may be helpful in building the Taiwan consciousness, but in the meantime, because of its negligence of the evolvement of China, the government has also missed the chances to take advantage of some of strategic situations. [KMT Chairman] Lien Chan's trip to China, followed by that of Soong's, have finally forced the government to face the issue

directly. . The re-positioning of cross-Strait relations and Chen's [willingness] to step out of the frame set up by former President Lee and to try to start a new round of talks with the Chinese leaders . will create a new opportunity for the happiness and peace of the Taiwan people."

E) "Change in Beijing's Strategic Thinking toward Taiwan"

Journalist Sun Yang-ming observed in the "United Notes" column of the pro-unification "United Daily News" [circulation: 600,000] (5/3):

"The results of the meeting between [KMT Chairman] Lien Chan and [Chinese President] Hu Jintao revealed that Beijing has changed its strategic thinking toward Taiwan. The Chen Shui-bian administration will be put in a passive position if it fails to deal with the change appropriately.

"During the period of [former Chinese President] Jiang Zemin, Beijing's policy guideline toward Taiwan was that 'both sides could talk about anything under the one China principle.' Such a dogma-like approach has put Beijing in a passive and reactive position when dealing with the Taiwan issue because Taipei distrusts Beijing and Taiwan people has seen no `concrete goodwill gestures' from Beijing. As a result, former President Lee Teng-hui and the Chen Shui-bian administration could easily control Taiwan people's attitude toward China.

"Fundamental change happened to Beijing's attitude since [Chinese President] Hu Jintao came to power. He no longer talked about empty principles but directly appeals to the Taiwanese people with substantive interests in order to obtain strategic preemptiveness.

"The so-called strategic preemptiveness means that Beijing will observe what Taiwan people want, repackage it in a way that is acceptable for Beijing and throw it back to the Chen Shui-bian administration and Taipei to worry about what to do. Take Taiwan's bid to join the WHO as an example. It is said that Beijing is very likely to allow Taiwan to join the WHO or attend the WHA in the name of `Taipei China.'.

"The KMT's landing on China has enabled Beijing to tell Taiwan people its requests directly, making the Chen Shui-bian unable to interpret Beijing's policy the way it likes. Such a channel of communication will become systemized as the KMT and Chinese Communist Party started talking. The Chen Shui-bian administration, as a result, will have to reconsider or adjust its cross-Strait strategy."

F) "Is the United States' Cross-Strait Policy out of Control?"

Washington correspondent Norman Fu said in the "Washington Outlook" column of the centrist, pro-status quo "China Times" [circulation: 600,000] (5/3):

". In general, the United States still continued to stand in a critical leading position with regard to cross-Strait relations. Washington's leadership does not change because of the direct talks between Taiwan's opposition leaders and Beijing because it will be impossible for Beijing to resolve the Taiwan issue without Washington's consent or [tacit consent]. That is why Beijing has been trying to befriend Washington over the past few years, hoping that the United States will help it stop Taiwan from moving toward independence. As for the roles of the KMT and the PFP in the cross-Strait relations, they are just part of Beijing's strategies and they are not strong enough to diminish or change Washington's significant position. The United States of course hopes that Beijing could talk to the Chen Shui-bian administration directly, but it still depends on whether Beijing has confidence in Chen and the future prospects of the DPP government."

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